

**Minutes
Windsor Town Council Meeting
Town Hall
May 12, 2009**

The Windsor Town Council met in regular session on May 12, 2009 at 6:00 p.m. in the Council Chamber of the Windsor Town Hall, Windsor, Virginia. Mayor Marvin A. Crocker, Jr. was present, and he called the meeting to order. He welcomed those who were present. He asked for anyone with cell phones to please turn them off. He asked the Clerk to call the roll. Robin Hewett, Town Clerk, recorded the minutes. John L. Rowe, Jr., Interim Town Manager, Police Chief Robert Porti, Michael Stallings, Assistant Town Manager/Planning and Zoning Administrator, and Joshua Pretlow, Jr., Town Attorney were present.

Council members present: Wesley F. Garriss (arrived at 6:11 p.m.)
J. Clinton Bryant
William L. Jones
Durwood V. Scott
Greg Willis
Carita J. Richardson

Mayor Crocker asked Councilman Willis to give the invocation and he did. Mayor Crocker said the first item on the agenda is a closed session, and he asked for a member of Council to make a motion to go into closed session.

Vice-Mayor Jones made a motion to go into Closed Session pursuant to Virginia Code Section 2.2-3711, A-1, for personnel, performance of the police department, A-7, legal advice, A-17, identity of or information tending to identify individuals providing information about crimes or criminal activities under a promise of anonymity, A-18, information tending to identify any prisoner who provides information about crimes or criminal activities, and Virginia Code Section 2.2-3706, Disclosure of criminal records; limitations, where the release of criminal incident information is likely to jeopardize an ongoing investigation or prosecution, or the safety of an individual; cause a suspect to flee or evade detection; or result in the destruction of evidence, such information may be withheld until the above-referenced damage is no longer likely to occur from release of the information; which is related to a presentation given by the Windsor Police Department. Councilman Willis seconded, and Council passed the motion unanimously as recorded on the attached chart as motion #1.

Councilwoman Richardson made a motion to go back into Regular Session. Councilman Scott seconded, and Council passed the motion unanimously as recorded on the attached chart as motion #2.

Vice-Mayor Jones made a motion pursuant to Virginia Code Section 2.2-3712, Subsection D, that only public business matters lawfully exempted from open

meeting requirements were discussed and only such business matters as were identified in the motion at which Council went into Closed Session, were heard, discussed, or considered by the Town Council. Councilwoman Richardson seconded, and Council passed the motion unanimously as recorded on the attached chart as motion #3.

Mayor Crocker said there will be a ten-minute recess at this time. After the recess, Mayor Crocker called the meeting back to order. He said there is no public hearing scheduled for tonight. He said the next item on the agenda is "Delegations, Public Comments, and Citizens' Concerns". He asked anyone wishing to speak to come forward at this time.

Delegations, Public Comments, and Citizens Concerns

None

Consent Agenda

Mayor Crocker asked for approval of the consent agenda, which included the minutes of the April 14, 2009 Council meeting and the Treasurer's reports. Councilwoman Richardson made a motion to approve the consent agenda. Councilman Willis seconded, and Council unanimously passed the motion as recorded on the attached chart as motion #4.

Interim Town Manager's Report

Briefing on the Proposed 2009-2010 Budgets and Five Year CIP

Mr. Rowe said he has a PowerPoint presentation on the proposed 2009-2010 budget and proposed Capital Improvements Plan; he told Council that he had given them a paper copy of the slides within the PowerPoint presentation. He encouraged Council to ask questions during the presentation. He said he wanted Council to be comfortable with the numbers by the time of the budget public hearing, which is scheduled for Tuesday, May 26, 2009 at 7:00 p.m. He said the goal in the budget was to be as transparent as possible. Mr. Rowe said the highlights of the budget are: no recommended tax increase, no use of fund balance, no new programs or initiatives, no frills, and it is maintenance of effort budget. He said there is a new budget format which conforms to the Town's accounting software. He said this budget format will be the platform for all future financial reports. Mr. Rowe said this budget is a true "line item" budget, which provides greater detail for budget tracking and analysis. He explained to Council how salaries and indirect expenses are reported in the 2009-2010 budgets, compared to how these items are currently reported.

Mr. Rowe said there is a five percent reduction in the 2009-2010 General Fund Budget over the current 2008-2009 General Fund budget. He said there is a

28% reduction in the Water Fund Budget over the current 2008-2009 Water Fund Budget. He said most of the cuts came from capital expenditures. He further explained the reductions in the budgets to Council.

Mr. Rowe said the net revenue and expenditures for the Proposed General Fund Budget is \$1,237,930 (after subtracting the transfers from other funds), the Proposed Cemetery budget is \$7,100, and the Proposed Water Fund budget is \$411,147. He said that 25% of General Fund revenue comes from general property taxes and 47% of the revenue comes from other local taxes, such as meals tax, sales tax, and cigarette tax. He further discussed the General Fund revenues, and he explained how the Town would receive \$65,000 in federal stimulus money. He explained in detail how the amount of the federal stimulus money was derived for the Town.

Mr. Rowe said the General Fund expenses are summaries of each department, which came straight from the proposed budget. He said unlike the Water Fund, the Cemetery Fund is not self-sustaining. He said in the future the Town may desire to combine the Cemetery Fund with the General Fund as an activity under Public Works Department.

Mr. Rowe said the Water Fund's biggest source of revenue is the water sales. As of the time that he submitted the proposed 2009-2010 to Council, water sales are down 9.5 million gallons in comparison to this time last year. He said he recommends an increase in late fees and cut-off fees. He said customer deposits are not revenue. He said the customer deposits are considered a trust fund, which the Town refunds back to the customer when they move out of Windsor.

Mr. Rowe said that with the proposed Water Fund budget he recommends that Council adopt a uniform water rate structure. He said the Town currently has an inverse block-rate schedule of water rates. He explained that water system owners use this type of rate structure to encourage its water customers to conserve water. He explained how each of these rate structures work. He said with the uniform rate structure, he recommends that Council set the water rate at \$5.35 per 1,000 with a minimum water bill of \$18.75. He said the proposed minimum bill is a reduction in the current minimum bill amount of \$24.00. He said that the Town currently has 818 water customers, and 39 percent of the customers currently pay the minimum water bill. He said 15 to 18 percent of the water customers will pay the minimum amount with the new rate structure. Mayor Crocker asked if the minimum water bill was for a two-month period. Mr. Rowe said yes, the Town would still bill its customers every two months. Councilman Garris asked if other localities have different rates for residential and commercial customers. Mr. Rowe said some localities do have different rates for residential and commercial customers. He said some have a big differential for water customers outside the localities' boundary. He said it does not cost any more to provide water to a commercial customer than a residential customer;

therefore, why should one individual have to pay more for water than another. Mr. Rowe said with the new proposed rate structure, each water customer will pay for what water they use.

Mr. Rowe said the Water Fund expenditures for the proposed 2009-2010 budget have a reduction of \$159,853 from the current 2008-2009 budget. He said the proposed Water fund budget is a bare bones budget. He said Town water cost customers \$0.00535 per gallon, which is just over half a cent. He said the average water bill is not significantly higher than the state average.

Mr. Rowe said accounting standards require the Town to fully fund depreciation. He said the amount of depreciation expense is \$204,762 for Fiscal Year 2009-2010. However, he said in the proposed 2009-2010 Water Fund budget only includes depreciation funding of \$10,000. He said the annual audit will show a large operating lost for the Water Fund due to not being able to fully fund depreciation. He said there is not enough revenue to fully fund depreciation without increasing the water rate even more. In order to fully fund depreciation, Council would have to set the water rate at \$8.28 per 1,000 gallons, and he does not recommend that Council do this. Mayor Crocker asked how to solve this problem of not being able to fully fund depreciation. Mr. Rowe said at some point the Town should be able to fully fund depreciation, which means there will need to be a water rate increase each year. He explained to Council how depreciation is calculated.

Councilwoman Richardson asked if the capital project for the new well and water line extension were in the proposed budget. He said the debt service for these two projects is in the budget. He said that Council has already appropriated the funds to cover the engineering services for these projects, and that this work is taking place in the current fiscal year, 2008-2009. Several Council members asked about the Rural Development loan and how this type of loan works. Mr. Rowe, Mr. Pretlow, and staff explained and discussed the loan process with Council. Councilwoman Richardson said she has concerns with doing the entire capital project now. She said she understands the need for the water lines on Old Suffolk Road, but she said that she has a hard time voting for an increase in the water rate. Discussion continued on the Rural Development loan process.

Mr. Rowe said the Capital Improvements Plan (CIP) is a five year plan, and it is not a wish list. He said that the Town should not list items in the CIP unless the Town has realistic funding available when the projects come about. He said the CIP is prudent and doable for the Town. He said the sidewalks are funded through the federal stimulus money. He said there are no capital expenditures for the Water Fund other than the Rural Development funded capital project. Mr. Rowe said Planning Commission has held a public hearing on the CIP at its April 22, 2009 meeting, and it unanimously recommended that Council approve the CIP.

Mr. Rowe said one of his goals was to make the proposed budget as accessible to the public as possible. He said the budget is online at the Town's website. He said the proposed budget is also available for review at the following public places: Town Hall, Windsor Library, Citizens National Bank, Colonial Farm Credit, Farmers Bank, Windsor Hardware, and Windsor Pharmacy.

Mr. Rowe and Council discussed the water rate and the use of a fund balance in the budget in length. Councilwoman Richardson said she felt the Town was taking on too much at one time with doing the new well and water line extension at the same time. She said she felt it would be better to wait on undertaking the water line extension because of the current economy. Council further discussed the Rural Development capital projects. Councilman Garriss said he hates to increase the water rates, but the Town promised residents to extend the Town's water lines, and the Town should have done this a long time ago. He said he feels now is the time to do these projects, and Council needs to go with the new water rate. He said the Water Fund needs to be self-sufficient, and in order for this to happen, Council will have to increase the water rate. Councilman Garriss said Council needs to look at fully funding depreciation as soon as possible. Mr. Rowe said in order to fully fund depreciation and have the Water Fund be self-sufficient, Council will need to increase the water rates in an orderly fashion and not spike the rate increases from time to time. Mr. Stallings said at the regional water meetings he has attended, other localities are going to have an 18 to 30 percent increase in its water rates. Mayor Crocker said if the new water rate is reasonable with other surrounding localities, then he does not have a problem with the proposed new rate. He asked what does Council need to do to fully fund depreciation. Mr. Rowe said Council will have to increase the water rate; furthermore, he does not recommend using a fund balance to keep from increasing the water rates. He said it is not a good policy to use fund balance for this. He said if Council wants to use the fund balance for something, then it should use for a one-time expense; not an expense that is ongoing. He said over time by using the fund balance, Council will deplete the funds in a short period of time. Discussion continued on the capital projects and the water rate increase.

Mr. Stallings gave a PowerPoint presentation on the needs for the water system capital projects. He provided Council a paper of the slides within the PowerPoint presentation. He said if the Town lost Well #5 on Griffin Street, then the Town could barely meet the demand for only three quarters of the year. He said by retrofitting the tanks, the Town can provide its water customers with a fresher water supply. He said the project will also add capacity to chlorinate the water if the need should arise. He said the project will provide water to the remainder of the annexed area of the Town by extending the water lines.

Mr. Stallings said that the Town received four bids last week for the well project. He said Sydnor Hydrodynamics had the lowest responsive bid. He said Rural Development requires at least a five percent contingency. He said Sydnor Hydrodynamics bid amount, plus the five percent contingency, totals \$115,479.

He said this company has worked with the Town previously when they constructed well #5. He said Sydnor Hydrodynamics is located in Richmond, Virginia.

Resolution to Appropriate Rural Development Loan Funds

Mr. Stallings said a resolution to appropriate Rural Development loan funds and award the contract to Sydnor Hydrodynamics is included in the Council agenda packets. He said he recommends that Council adopt the resolution. Mayor Crocker asked the Clerk to read the title of the resolution. The Clerk said the resolution is entitled *"A Resolution Appropriating The Sum of \$115,479 From The Proceeds of a \$1,331.000 Loan From The Rural Development Agency Of The United States Department Of Agriculture For The Construction Of A New Well For The Town Of Windsor's Water System and Awarding The Construction Contract For The Same To Sydnor Hydrodynamics, The Lowest Responsive Bidder."*

Vice-Mayor Jones made a motion to adopt the resolution entitled *"A Resolution Appropriating The Sum of \$115,479 From The Proceeds of A \$1,331,000 Loan From The Rural Development Agency Of The United States Department Of Agriculture For The Construction Of A New Well For The Town of Windsor's Water System and Awarding The Construction Contract For The Same To Sydnor Hydrodynamics, The Lowest Responsive Bidder."* Councilman Garris seconded, and Council unanimously passed the motion as recorded on the attached chart as motion #5.

Mr. Rowe and Council continued to discuss the proposed 2009-2010 budget by going through the budget page by page. He explained to Council how the salaries are shown in the budget and discussed the indirect expenses and how they are calculated. He reviewed the 2008-2009 expenditures projections for the remainder of the year. Councilman Bryant noted that the amount of \$100,000 was not included in May or June projection as being spent. Ms. Hewett said that is correct, and she said that staff would adjust the worksheet to reflect this capital expenditure. Discussion of the budget continued among Council. Councilman Bryant said he is opening for discussion the possibility of giving Town staff a one percent or two percent salary increase. This issue was discussed in length and several views were expressed. Mr. Pretlow said Council could consider doing a bonus to the employees, which would not affect the salary and benefits figures in the budget. Mr. Rowe suggested possibly doing this in the current fiscal year by using some of the funds that are not going to be spent. Mr. Rowe said staff would develop several options for Council to consider at its June Council meeting. He encouraged any Council member that has questions or concerns with the proposed budget to please come and discuss their concerns with him.

Mr. Pretlow said the Town will advertise that Council will hold a public hearing on the proposed budgets and CIP for the May 26, 2009 Called Council meeting.

Resolution Establishing the 2009 Business Appreciation Day for the Town of Windsor

Mr. Rowe said included in the Council agenda packet is a resolution establishing Thursday, May 14, 2009 as Business Appreciation Day in Windsor. He said he recommends that Council give this resolution its favorable consideration.

Mayor Crocker asked the Clerk to read the resolution. Ms. Hewett read the resolution.

Councilman Scott said the Economic Development Committee would be recognizing the oldest business, which is Farmers Bank, and the business with the most employees, which is Consulate Health Care. Mr. Rowe said there are approximately 70 people planning to attend the breakfast. He said Connie Rhodes from the Chamber will speak.

Councilman Willis made a motion to adopt the resolution entitled: *"A Resolution Establishing May 14, 2009 as Business Appreciation Day Within The Town of Windsor, Virginia."* Councilwoman Richardson seconded, and Council unanimously passed the motion as recorded on the attached chart as motion #6.

Discussion of Articles Five and Six of the Proposed New Charter

Mr. Rowe said he has included in Council's agenda packet Articles Five and Six of the Proposed New Charter for Council's discussion. Vice-Mayor Jones asked to carry this item over to the June meeting because of the time. Council was in agreement to put this item on the June agenda.

Calendar of Events

Mr. Rowe said that Council has the calendar of events for May and June 2009. He said if Council has any questions regarding the calendar, then he could answer them at this time.

Other

Mr. Rowe said he is still working with VDOT to have VDOT clean the bits of asphalt off the sidewalk in front of the post office and to solve the problem that is causing the asphalt to break-up.

Police Chief's Report

Chief Porti said the Council agenda package includes the crimes and offenses report for the month of April 2009. He said there were 184 calls for service during the month, of which they responded to 176. Chief Porti said there were a

total of 168 traffic stops, which resulted in 184 summons and 17 warnings. He said there were two DUI arrests made through traffic enforcement action. He reported that there were eight felony arrests, resulting in 20 charges, and 10 misdemeanor arrests, resulting in 18 charges.

Chief Porti said the Windsor Police Department will be taking part in assisting the Isle of Wight County Schools and the Department of Parks and Recreation in the development of their strategic plans. He said they will assist these agencies with their self assessments and development of goals and objectives that will help them to identify their focus for the next several years.

Chief Porti said the TRIAD meeting was attended by 331 senior citizens in the County. He said there were representatives from the Department of Treasury checking for unclaimed monies. He said while at the meeting they located over \$33,000 in unclaimed monies. He said this service is provided to the seniors free of charge thanks to the support from the Town of Windsor, the Town of Smithfield, and Isle of Wight County. He thanked Council for its continued support.

Chief Porti said he has placed an advertisement in local newspapers for the purpose of identifying interested candidates for a police officer position. He said there is no current vacancy, but he has received indications that they may lose an officer to a non-law enforcement position with a local company. He said it is his desire to fill any vacancy with limited impact to their remaining staff. He said the officer has discussed possibly becoming an auxiliary officer with the department.

Mayor Crocker said Chief Porti did a magnificent job with the TRIAD program. He said one of the speakers was from the State Attorney General Office and they spoke on identity theft. He said the meeting was very well organized.

Town Attorney's Report

No report.

Mayor's Report

Mayor Crocker said he attended the Mayors and Chairs meeting on April 24, 2009 in Franklin at the Workforce Development Center. He said he had the opportunity to have lunch with the Secretary of Transportation. He said he attended the VML Town Section meeting on April 30, 2009 in Smithfield. He said the VML staff provided the attendees with a lot of information.

Fire Department/Rescue Squad Committee

No report.

Public Health & Safety/Street Committee

No report.

Finance Committee

No report.

Personnel Committee

Mayor Crocker said he and Vice-Mayor Jones have contacted the three individuals to reappoint to Planning Commission and Board of Zoning Appeals (BZA). He said they agreed to continue to serve another term. He said the individuals are Councilwoman Richardson and Mr. George Stubbs for Planning Commission and Ms. Francis Butler for BZA.

Vice-Mayor Jones made a motion to accept the recommendations for Planning Commission and BZA. Councilman Garriss seconded, and Council unanimously passed the motion as recorded on the attached chart as motion #7.

Mr. Pretlow said he would take care of getting the paper work to the Clerk of the Circuit Court for the BZA appointment by the judge.

Utilities/Property/Cemetery Committee

No report.

Parks & Library Committee

Councilwoman Richardson said on May 16, 2009 the Library will hold a "Bag of Books Sale for \$5" from 9 a.m. to 12 noon.

Planning Commission

Mr. Stallings said the Planning and Zoning Report for April is before Council. He said the Town issued eight zoning permits issued and one notice of violation issued for an inoperative vehicle. He said he will be sending more notices of violation sent in May due to tall grass issues throughout the town.

Mr. Stallings said the next Planning Commission meeting is scheduled for May 27, 2009 at 7:00 p.m. and there will be a public hearing on the rezoning for Holland Meadows subdivision. He said Mr. Rowe, Mr. Pretlow and himself met with the developer and their attorney to discuss the proffers. He said the ball is now in their court.

Economic Development Committee

Councilman Scott said the committee met on May 11, 2009. He said the committee discussed the goals they have set. He said the committee would like to recommend to Council to prioritize a sidewalk plan for the Town.

Councilman Scott said the committee established a business brochure subcommittee to work on a brochure for the Town. He said the committee needs recommendations to replace a committee member from the business community. Mayor Crocker suggested asking someone from Windsor Pharmacy. Councilman Scott handed out a copy of a letter he received from Windsor, Colorado for its information.

Workforce Housing Committee

Councilwoman Richardson said Frank Spadea has contacted the Town Manager expressing his interest in building workforce housing in Windsor. She said Council needs to decide whether to develop a workforce ordinance or not. She said there is a development in Chesapeake similar to what Mr. Spadea wants to build in Windsor. She said it might be a good idea for Council to take a trip and look at the development. She said if the Town is not interested in workforce housing, then there is no need to work on an ordinance.

Mr. Rowe said he is going to try to schedule a committee meeting in the next four to six weeks. He said the Town needs make a decision on a workforce housing ordinance. He said there are a lot of pluses for the community. He said he would recommend that all Council members attend the committee meeting when scheduled.

Community Center Committee

No report.

Old or Unfinished Business

Councilman Scott asked if Town needs to develop a proffer policy. Mr. Pretlow said that the Town had already done this, and the Town sent Isle of Wight County the draft policy along with an agreement pertaining to the same. He said that the Town has no agreement now. He said Council has a unilateral agreement stating what it intends to do. He said the only legal agreement is the annexation agreement. He said Council has the "gentlemen's agreement" signed by the Town, which was sent to the County stating what Council agrees upon as far as any proffers. Mr. Pretlow said he would not recommend re-drafting a policy at this point. He said unless Council directs him to draft a policy, he is not

going to do anything at this point. He said it is in the hands of the County at this time.

New Business

Mayor Crocker said he would like to add to the agenda for the June Council meeting an item to consider which is "Committee has a whole verses Committee assignment" for the next fiscal year.

Vice-Mayor Jones made a motion to adjourn. Councilman Garris seconded, and Council unanimously passed the motion as recorded on the attached chart as motion #8. The meeting adjourned at 11:07 p.m.

Marvin A. Crocker, Jr., Mayor

Robin Hewett, Town Clerk